FIRE PENSION BOARD

MINUTES

APRIL 20, 2017

10:30 A.M.

CALL TO ORDER

PLEDGE OF ALLEGIANCE

PRESENT:

Mark Keenan, Secretary
Keith Beattie, Member
Bruno Falkenstein, Member
Michael Terry, Member

ABSENT:

Ryan Holt, Chairman

ALSO PRESENT:

Lee Dehner, Christansen & Dehner
Tyler Grumbles, AndCo Consulting
Vince Tenaglia, Administrative Services Director
Mary Jo Murphy, Deputy City Clerk

1. Changes to the Agenda

Secretary Keenan added the following items to the agenda:

- Item No. 3, Approval of Minutes - add the minutes from the December 15, 2016 Special Meeting
- Item No. 5, Reports - add Foster & Foster
- Item No. 6, New Business - add Election of Chair and Secretary

2. Audience Comments

There were no audience comments.

3. Approval of Minutes

- January 19, 2017 meeting

Member Beattie made a motion to approve the minutes from the January 19, 2017 meeting. The motion was seconded by Member Terry and unanimously approved by a roll call vote, (4 yeses – 0 nos).

- December 15, 2016 special meeting

  Member Beattie made a motion to approve the minutes from the December 15, 2016 meeting. The motion was seconded by Member Terry and unanimously approved by a roll call vote, (4 yeses – 0 nos).

4. **Payment of Invoices**

• Anchor		$5,498.78
• &Co	Invoice No. 21503	$4,500.00
	Invoice No. 20238	$4,500.00
• Brown	Invoice No. 20161231-1365-7713-A	$5,541.02
• Christiansen and Dehner	Invoice No. 30103	$1,331.37
• Foster & Foster	Invoice No. 29927	$1,038.30
• Insight	Invoice No. 969-ISC-TRSA	$2,321.65
• Salem Trust		$3,705.00
• Shea Barclay	Invoice No. 16857	$ 834.00

Member Terry made a motion to approve the invoices. The motion was seconded by Member Beattie and unanimously approved by a roll call vote, (4 yeses – 0 nos).

5. **Reports**

&Co Consulting

Tyler Grumbles, &Co Consulting, introduced Mary Gregory and Kevin Osten with Brown Advisory to the Fire Pension Board.

Attorney Dehner instructed Secretary Keenan there should be a motion to amend Agenda Item No. 5 to add Brown Advisory to the report section.

Member Beattie made a motion to add Brown Advisory to the agenda. The motion was seconded by Member Falkenstein and unanimously approved by a roll call vote, (4 yeses – 0 nos).

Mary Gregory, Institutional Relationship Manager, and Kevin Osten, CFA, Product Specialist, gave a presentation to the Fire Pension Board and reviewed a 35-page document entitled "City of St. Pete Beach Firefighters' Retirement System, April 20, 2017."

Mr. Grumbles gave a presentation to the Fire Pension Board and reviewed a document entitled "Investment Performance Review, Period Ending March 31, 2017, St. Pete Beach Firefighters' Retirement System."
In regard to Brown Advisory, Mr. Grumbles made the following recommendations:

- observe Brown Advisory closely

- Mr. Grumbles did not review the report he authored entitled "Large Cap Growth Manager Analysis, March 31, 2017, St. Pete Beach Firefighters' Retirement Fund" with the board and stated he would reintroduce the report during the next meeting if another quarter of significant underperformance occurs with Brown Advisory.

Mr. Grumbles gave an update about the Investment Policy Statement to the board. Mr. Grumbles reviewed the change of reducing the Expected Rate of Return from 7.75 percent to 7.7 percent, shown on page 3 of the report.

Member Falkenstein made a motion to approve the City of St. Pete Beach Firefighters' Retirement System Investment Policy Statement, April 20th, 2017. The motion was seconded by Member Beattie and unanimously approved by a roll call vote, (4 yeses – 0 nos).

<u>Salem Trust</u>

There was no report from Salem Trust.

<u>Christiansen & Dehner</u>

Attorney Dehner discussed the following with the Board:

- legislative update
- file financial disclosures before July 1, 2017
- if the Evaluation Report is approved today, the following needs to occur:
  - Mr. Donlan will do additional calculations required by the statute and file them electronically with the Division of Retirement
  - Mr. Donlan will provide a copy of the calculations to the City to be placed on the website
  - Mr. Grumbles will provide the information required by the Florida Administrative Code
  - Mr. Grumbles will provide a copy of the information to the City to be placed on the website

<u>Foster & Foster</u>

Patrick Donlan, Foster & Foster, gave a presentation and reviewed the Evaluation Report with the board.

Member Falkenstein made a motion to approve the Evaluation Report. The motion was seconded by Member Terry and unanimously approved by a roll call vote, (4 yeses – 0 nos).

Attorney Dehner instructed the board that there needed to be a motion for the Total Expected Annual Rate of Return for the current year, the next several and the long-term.

Mr. Grumbles stated that 7.7 percent is a reasonable Expected Rate of Return over the next year, the next several years and the long-term thereafter.

Member Falkenstein made a motion that the Expected Rate of Return for the next year will be 7.7 percent. The motion was seconded by Member Terry and unanimously approved by a roll call vote, (4 yeses – 0 nos).

6. New Business

- Estimated Budget for FYE 9/30/17

Member Falkenstein made a motion for the Proposed Budget for Fiscal Year Ending 9/30/2017 and the total expenses of $113,000.00. The motion was seconded by Member Beattie and unanimously approved by a roll call vote, (4 yeses – 0 nos).

- Expense Report for FYE 9/30/16

Member Falkenstein made a motion for the actual expenses for the year ending 9/30/2016. The motion was seconded by Member Terry and unanimously approved by a roll call vote, (4 yeses – 0 nos).

- Term expirations for members Terry, Beattie and Falkenstein:
    - Bruno Falkenstein – Commission Appointed
    - Michael Terry – Commission Appointed
    - Keith Beattie – Commission Approved

Secretary Keenan stated that Member Falkenstein and Member Terry had provided letters of intent to the City Clerk to be placed on a City Commission agenda for consideration of reappointments; Member Beattie's seat requires a board appointment. If approved by the board, Member Beattie's name needs to be placed on a City Commission agenda for approval by the City Commission.

Member Falkenstein made a motion to approve Keith Beattie for his position on the Fire Pension Board as the fifth member. The motion was seconded by Secretary Keenan and unanimously approved by a roll call vote, (4 yeses – 0 nos).

- Election of Chair and Secretary

Secretary Keenan informed the board that Chairman Holt had expressed interest to carry on as Chairman and that Secretary Keenan would like to continue as Secretary if the board approved.

Member Beattie made a motion that Charles Holt continue as Chairman and Mark Keenan continue as Secretary/Treasurer. The motion was seconded by Member Terry and unanimously approved by a roll call vote, (4 yeses – 0 nos).

Secretary Keenan updated the board in regard to pension discussions with the City.

Secretary Keenan announced that Elaine Edmunds, Administrative Services Director, retired and introduced the new Administrative Services Director, Vince Tenaglia, to the board.

7. Adjournment

There being no further business to come before the Board, the meeting was adjourned at 12:06 p.m.

Attest:

Rebecca C. Haynes, City Clerk

Mark Keenan, Secretary

Minutes approved on: 8/17/17